



LUXASIA PTE. LTD.

INCREASING EFFICIENCY WITH PROCURE-TO-PAY AUTOMATION AT A SHARED SERVICES CENTRE

BACKGROUND

Luxasia is a luxury specialist in retail and distribution with headquarters in Singapore and 15 locations across Asia. As a rapidly growing company, Luxasia recently began looking to set up a Shared Services Centre (SSC) in Malaysia to centralise its accounting department and automate the processing of supplier invoices – initially for Singapore and then, in a second phase, for its subsidiaries.

At the same time, Luxasia also began to rethink its internal processes. Employees seeking invoice approvals had previously created purchase requisitions by hand and printed them out. Purchase orders (POs) were then manually created in the company's SAP® system, making it difficult to coordinate and retrieve information and documents. In addition to operational costs and workload escalating, the overall invoice process was progressively slower, resulting in increased dissatisfaction among employees and suppliers.

Along with purchase requisitions, Luxasia was processing its internal expense claims by hand. Employees would use Excel spreadsheets, scan paper receipts, then print and pass them onto an accounts payable (AP) specialist to process. The AP specialist would then have to manually enter the information into SAP.

In order to improve its accounting process, Luxasia sought an automation solution that could address the following objectives:

- Increase percentage of early-payment discounts
- Reduce operational costs
- Increase document visibility and easy retrieval
- Implement a cloud-based solution to facilitate the setup of its SSC
- Integration with the company's existing SAP system
- Facilitate other job functions beyond the AP department
- Automate additional processes with the same vendor

SOLUTION

Luxasia selected Esker's Procure-to-Pay solution to automate its purchase requisitions and supplier invoices. The solution was implemented quickly thanks to Esker's use of the Agile Methodology and is seamlessly integrated with Luxasia's SAP system. Esker has helped Luxasia streamline its workflow processes by eliminating all inbound and outbound paper documents, resulting in increased visibility and simplified document retrieval.

Procurement automation

Luxasia can now raise a purchase requisition and trigger a workflow for approval of non-inventory items. Once the purchase requisition is approved, Esker creates the corresponding PO and automatically sends a copy to the supplier.

ABOUT LUXASIA

Industry: Retail

ERP: SAP

Solution: Procure-to-Pay

The Luxasia Group is focused on bringing the best global luxury brands to Asia. Its portfolio, which consists of brands such as Burberry, Bvlgari, Dior, Diptyque, Ferragamo, Hermes, La Prairie and Prada, is curated from over 30 years of experience in the luxury beauty industry.

Merging local knowledge with a global perspective, Luxasia's consumer-centric go-to-market strategies and omnichannel distribution approach help international brands access Asia. Headquartered in Singapore, Luxasia has a presence in 15 other locations in Asia, including: Malaysia, Taiwan, Hong Kong, China, India, Indonesia, Philippines, Thailand, Vietnam and Myanmar.

ESKER'S SOLUTION IS FABULOUS! THE INTERFACE IS VERY USER

FRIENDLY AND INTUITIVE. WITH FULL PROCESS VISIBILITY, WE ARE CONFIDENT THAT ALL DOCUMENTS MAKE THEIR WAY THROUGH THE SYSTEM AND KNOW THAT WE WILL BE PROMPTED IF AN ISSUE REQUIRES IMMEDIATE ACTION."

ACCOUNT EXECUTIVE



As the person who receives the goods may not necessarily be the requester, they can assign beforehand who will receive the goods. The receiver creates the goods receipt by entering the quantity received and the information is pushed to SAP. By automating its purchasing process, Luxasia has been able to eliminate paper approvals and gain visibility over the entire process, particularly for those outside of the purchase requisition process.

AP automation

Luxasia now automates its 36,000 annual supplier invoices at its recently created SSC. Esker's multi-language capabilities, template-free technology and external-ERP workflow eliminate the headache of processing diverse invoice formats and languages from multiple offices. Esker has delivered new levels of efficiency to Luxasia's SSC.

Beyond invoice automation

The expense claim automation functionality has helped Luxasia reduce 80% of paper use, as users no longer need to print hard copy receipts. Employees can now track their claims and easily communicate with the AP team using the comments section in the solution interface.







BEYOND THE INCREASE IN PRODUCTIVITY AND PROCESS VISIBILITY (E.G., VOLUME PROCESSED, INVOICE TYPE, NUMBER REJECTED, ERROR TYPES AND AMOUNT), WE HAVE BEEN ABLE TO STREAMLINE AND STANDARDISE OUR PROCESSES, AS WELL AS ALIGN ACCOUNTING ENTRIES WHICH WERE NOT CONSISTENT REGIONALLY. ESKER HAS MADE EVERYONE'S LIFE MUCH EASIER THANKS TO MOBILE ACCESS. WE HAVE ALSO BEEN ABLE TO ALSO STANDARDISE OUR PAYMENT CYCLES ACROSS EIGHT COUNTRIES AND WITH NONE OF THE BACKLOGS WE ENCOUNTERED PRIOR TO USING ESKER. WITH ALL OF THE ABOVE, WE ARE ABLE TO ACHIEVE MAJOR COSTS SAVINGS."

ZULAIFAH ABDUL GHANI | COUNTRY FINANCE LEAD – MALAYSIA & INDONESIA

BENEFITS

Thanks to Esker, Luxasia has achieved numerous key benefits, including:

- 
INCREASED EARLY PAYMENT DISCOUNTS — more vendors are using the supplier portal resulting in potential savings
- 
ENHANCED VISIBILITY — critical metrics are available at the touch of a button and with 100% visibility thanks to Esker's customisable dashboards
- 
50% FASTER INVOICE PROCESSING — with manual data entry eliminated, processing rates have more than doubled
- 
CONVENIENT ON-THE-GO INVOICE & PURCHASE REQUISITIONS REVIEW AND APPROVAL CAPABILITIES — users have 24/7 access thanks to Esker's mobile application, Esker Anywhere™
- 
FASTER APPROVALS — workflow approval time is 4 times faster as Esker provides notifications to approvers. Approver can now assign an interim approver while on leave or away
- 
INCREASED EMPLOYEE PRODUCTIVITY — processing capacity has increased by 2.5 times. In the same amount of time it took to process 400 invoices, AP specialists now process over 1,000 invoices
- 
FACILITATED E-INVOICE SUBMISSION VIA PORTAL — 15% of invoices are submitted via the portal which has helped reduce physical archiving costs and easy document retrieval on one platform



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